

Department of Natural Resources
Waterway Improvement Program

Waterway Improvement Fund Grants Manual

1. Purpose

The Waterway Improvement Fund was established in 1966 (Annotated Code of Maryland Sec. 8-707 of the State Boat Act) for the purpose of funding projects which improve and promote the recreational and commercial capabilities, conditions and safety of Maryland's waterways for the benefit of the general boating public.

2. Source of Funds

The revenues for this fund are obtained primarily from the one time 5% excise tax that is paid to the State of Maryland when a boat is purchased and titled in the state. In addition, the Fund also receives 0.3 percent of the state motor fuel tax as a result of purchases made to fuel boats.

3. Administration of the Funds

Grants administration for the Fund is the responsibility of the Department of Natural Resources - Waterway Improvement Program. Projects administered by the Program are paid on a grant reimbursement basis to the applicant.

4. Types of Projects Funded

The criteria used to determine which projects are eligible for assistance through the Waterway Improvement Fund are identified in Section 8-707 of the State Boat Act, (Subtitle 7 - Annotated Code of Maryland, Natural Resources Article). This subtitle determines the eligibility, type and amount of funding that can be expended for each project. The Fund provides financial support to local governments, the Department of Natural Resources, and federal agencies in the form of grants and/or loans for a wide variety of capital projects and services for the boating public including:

- a. Marking of channels and harbors and establishing aids to navigation.
- b. Clearing of debris and obstructions from navigable waters of the state.
- c. Dredging channels and harbors, and constructing jetties and breakwaters, including those projects in cooperation with the U.S. Army Corps of Engineers.
- d. Construction of marine facilities beneficial to the general boating public.
- e. Installation of marine sewage pump-out stations.
- f. Improvement, reconstruction, or removal of bridges, drawbridges or similar structures over or across water if those structures delay, impede, or obstruct the boating public.
- g. Evaluation of water oriented recreation needs and capacities of Maryland waterways and the development of comprehensive plans for waterway improvement projects.
- h. Boating information and education.
- i. Construction of marine facilities for marine firefighting, police, first aid and medical assistance, and communications for promoting safety of life and property and general service to the boating public.
- j. Acquisition of State equipment and vessels for marine firefighting, policing, first aid and medical assistance, and communications for promoting safety of life and property and general service to the boating public.
- k. Boating related structural and non-structural shore erosion control projects.

5. Types of Grants

Projects found to be eligible for State assistance from the Waterway Improvement Fund may receive funds in the form of grants as described below. The type of funding selected for a project is dependent upon the scope of the project, statutory guidelines, technical and environmental considerations as well as to what degree the project benefits the general boating public.

a. **100% State Grants (Not to exceed \$5,000)**

The Department may expend a total of \$125,000 each fiscal year, for a total of (25) grants not exceeding \$5,000 each, for projects such as minor construction, repair, and navigation projects at public boating facilities.

b. **100% State Grants (Not to exceed \$100,000)**

Projects for developing and maintaining public boating facilities and installing marine sewage pumpout stations.

c. **100% State Grants (In excess of \$100,000)**

Projects for dredging, marking channels and harbors, construction of jetties and breakwaters; clearing debris, obstructions, and abandoned boats from navigable waters; as well as construction of boating facilities on lands owned or leased by the Department of Natural Resources.

d. **Matching Grants (Max. 50% State Cost Share)**

Projects may be financed on a 50/50 matching basis (50% maximum state cost share) with a local jurisdiction for the engineering, construction, and maintenance of public boating facilities, dredging channels and harbors, and acquiring marine fire/rescue boats and equipment. Governing body may not use other State funds as their share of the 50% match.

e. **100% Interest Free Long Term Loans (Tax Districts)**

A local governing body may borrow interest free funds for a maximum 25 year term for waterway improvement projects within a Waterway Improvement Tax District. Projects can include dredging/navigation, spur channels, and boating access related facilities.

6. Project Evaluation Criteria

The following technical and environmental factors as well as the benefits, which the project will provide to the general boating public, are taken into consideration when evaluating projects for funding:

- a. **Expand/Improve Public Boating Access (40,20,1)** - A score of (40) is assigned to each project that directly provides increased boating access for the general boating public such as, new boat ramps, additional parking at ramps, additional launch lanes, improve/maintain major navigation channels/harbors, and increase launch area holding/boarding piers. A score of (20) is assigned to the replacement or major improvements to existing boating access facilities as well as projects that do not actually increase boating access opportunities but improve the quality of boating access. Any project that does not directly increase or improve boating access but provides other amenities or performs an ancillary function, such as picnic areas, boardwalks ...etc., or provide limited access to the general boating public should receive a score of (1).
- b. **Safety (40,20,1)** - Any project that directly improves boating safety, such as any fire fighting improvements, lighting, guard rails, handicapped accessibility improvements, dredging projects that remove dangerous shoals, breakwaters that improve navigation, etc., receives a score of (40). Those projects that indirectly improve boating safety such as, replacing worn decking, pier widening, common dredging projects, mooring buoys, site regarding, repaving, etc., receive a score of (20). Projects that do not affect boating safety such as new comfort stations, painting, re-roofing, new parking areas ...etc., receive a score of (1).
- c. **Cost/Benefit (30,1)** - Those projects that have a high cost/benefit ratio such as those that increase the usage capability or include major improvements to a public boating facility (such as parking lot expansion, additional launch lanes, comfort station(s), additional slips/docking), navigation projects that directly support public boating facilities and/or act

as major thoroughfare channels, and ADA related improvements receive a score of (30). Those projects that have a low cost/benefit ratio such as projects that benefit a very limited segment of the boating public such as spur channel dredging, tax district loans, etc., receive a score of (1).

- d. **Regulatory Permits/Environmental (30,1)** - Those projects that already have permits, or will imminently be issued permits, receive a score of (30). If no permits are issued and there are other environmental issues that could delay the permits for at least one year from July 1st or more, the project receives a score of (1).
- e. **Projected Expenditure Rate (20,10,1)** - If 100% of the funds for the proposed project will be expended within the approved fiscal year (July 1 to June 30), a score of (20) may be assigned. All projects that are anticipated to have 100% expenditures made within 1 to 2 years receive a score of (10), and any projects anticipated to have 100% expenditures made after 2 years receive a score of (1).
- f. **Continuation of a Current Project (10,1)** - If the proposed project is a continuation of a current project, the score assigned can be (10). All other projects receive a score of
- g. **Boating Congestion (10,1)** - Any project that aggravates or adds to boating congestion (on a waterway identified as being highly congested) receives a score of (1). An example would be the construction of additional launching lanes or increased parking that increases use at a facility on a waterway that already experiences high congestion and/or legal citations. Any project that does not impact boating congestion in any manner receives a score of (10).
- h. **Other/Priority** - Criteria assigns additional points to projects that are either mandatory, have a special circumstance, or have a high local/state priority.

7. Supplemental Guidelines for Recreational Dredging/Navigation Projects

- a. **100% State Funded Projects***
 - i. Project is completed in cooperation with the U.S. Army Corps of Engineers.
 - ii. Project serves a publicly owned boating facility.
 - iii. An entrance and/or main stem channel (or jetty/breakwater project) that provides access to a waterway or multiple waterways, has a cost factor less than or equal to 1.0, serves multiple major independently owned boating facilities and private residents, and provides multiple essential services to the general boating public such as fuel, marine sewage pumpout, transient slips, repair services, etc.
 - iv. An entrance and/or main stem channel (or jetty/breakwater project) that provides access to a waterway or multiple waterways with a cost factor less than or equal to 0.25, regardless of essential services provided to the boating public.
- b. **Matching Funds (not to exceed 50%)*** An entrance/main stem channel (or jetty/breakwater) project that has a cost factor greater than 0.25 and less than or equal to 2.0, with no essential services provided to the general boating public.
- c. **Tax District Loan*** Serves a very limited segment of the boating public, provides no essential services and has a cost factor greater than 2.0. Also, provides loans for spur channels that directly serve a residential property owner, or group of residential property owners, with land abutting a channel adjacent to a main channel or harbor.
- d. *** Miscellaneous Guidelines** Resident boats include all permanent recreational/light commercial Maryland registered or documented vessels that directly benefit the project and use the waterway the majority of the calendar year.

Waterway Improvement Fund Grants and Loans must be sponsored by a local governing body. Statutory guidance precludes funding a project that principally benefits a commercial enterprise or property.

Figure 1.

Cost Factor

$$\frac{\text{TPC}/5000}{\text{TRB}} = \text{TCF}$$

TPC - Total Project Cost

TRB - Total Permanent Resident Boats

TCF - Total Cost Factor

8. Grants Procedure

a. Initial Inquiry

Project requests can originate from Department of Natural Resources, a local jurisdiction, federal agency, elected official, or the general public. When an inquiry is made to the Department regarding a potential project, the Waterway Improvement Program (Program) will have a staff member visit the site with the proposed project sponsor (local government, the Department of Natural Resources, or federal agency) and make a preliminary analysis to determine if the project can qualify for State funding in accordance with the Departmental criteria and statutory guidelines mentioned above.

b. Grant Applications and Project List

A "Waterway Improvement Fund Application and Project Agreement" is submitted to the Program by local governments, the Department of Natural Resources, and federal agencies for projects that benefit the boating public. The Agreement includes the name of the grant applicant, description and estimated cost of the project, and proposed benefits. The Agreement also includes all of the terms and conditions required by the applicant to receive reimbursement for the project.

The Program annually accepts grant applications until July 15th for the following fiscal year's budget (exceptions made on a case by case basis). Deadline exceptions are made on a case-by-case basis. Applications for Dredging/Navigation projects must also include a Dredging/Navigation Project Needs & Benefits Form. Applications for fire/rescue boats and equipment from local jurisdictions must also include a Matching Fund Fire & Rescue Grant Agreement Form.

These projects are reviewed and compared with all projects submitted by all jurisdictions. All proposed projects are evaluated in accordance with the pertinent statutes and above referenced criteria/guidelines. Those projects found to be eligible for funding are then prioritized and placed on a Waterway Improvement Fund Project List, to the extent of funding available, and submitted to the Office of the Governor and Maryland General Assembly for approval.

c. Approval

When the grant is approved by the General Assembly a letter is sent to the applicant confirming the approval (typically May of each year). Funds become available for approved grants on July 1st of each fiscal year.

d. Permits

All necessary Federal, State and Local permits must be secured by the governing body.

e. Dredge Material Placement Sites (DMP)

DMP sites along with all easements, staging areas must be secured by the governing body before work can begin.

f. Plans and Specifications

Plans and specifications are prepared by the governing body by a Maryland Registered Professional Engineer unless approved in advance by the Waterway Improvement Program. In addition, all plans/specifications must be approved by the Program before bids are

solicited. All changes in the original plans and specifications must also be submitted to and approved by the Program before the work is performed.

g. Public Bidding

The Governing Body will publicly advertise the project for bids or use other procurement method approved in advance by DNR. This requirement applies to all phases of the project including, but not limited to, planning, engineering, construction, and inspection. Proposals will be received and compiled by the Governing Body involved. DNR reserves the right to have a representative present at the bid opening.

Documentation of the bidding must be submitted to DNR before contracts are awarded. This includes public notices, advertisements, bid tabulation sheets, and a letter requesting that the governing body be permitted to award the contract to the successful bidder. The contract should not be awarded until DNR provides concurrence on the selection.

h. Prevailing Wage Rates

The prevailing wage rate law applies to the construction of any facility funded under this program with a total contract value equal to or greater than \$500,000 in which 50% or more is funded by the State. Appropriate prevailing wage rate clauses and schedules must be included in the contract.

i. Contracts

Governing body should notify DNR at least one week prior to start of work and must submit a copy of all signed contracts to DNR prior to the start date.

j. Construction

Depending upon the scope of construction involved, a DNR representative may or may not inspect the project site during the course of construction. The governing body must however notify the DNR of project start dates, scheduled progress meetings, inspection dates and dates of final acceptance for all construction projects.

k. Reimbursements

The governing body pays the contractor then submits copies of the appropriate invoices and canceled checks (or certifications of payment) along with a "Waterway Improvement Projects Request for Reimbursement Form" to the Program. Upon receipt of this Form/documentation, the Program will process a reimbursement payment to the governing body.

l. Technical Assistance

In the case of approved dredging, jetty, or breakwater projects; Program will provide technical assistance if necessary to grant applicants for completing projects.

9. Grant Applications

a. Schedules

Applications for Waterway Improvement Funds are accepted throughout the year. The cut-off date for receiving applications is January 15th for the next fiscal year (July 1st - June 30th), at which time the list is prepared for submission to the Legislature for approval.

b. Application Form

All grant requests are to be submitted on the "Waterway Improvement Fund Grant Application Form" contained in this guide. Applications should be mailed to the Waterway Improvement Program Office. Applications for Dredging/Navigation projects must also include a Dredging/Navigation Project Needs and Benefits Form. Applications for fire/rescue boats and equipment from local jurisdictions must also include a Matching Fund Fire & Rescue Grant Agreement Form.

c. Grant Application Instructions (Do not fill in any shaded areas on Application)

1. Applicant Name: The Applicant must be a County, Town or City government, or a State or Federal agency. Examples: Baltimore City, National Park Service, City of Annapolis,

- etc. List your local jurisdiction's Federal ID number. Check whether the project is being funded individual (one single grant) or multi-year (multiple grants to complete project).
2. Project Title: Include name of project. Examples: Johnson Creek Boat Ramp, Mill Creek Landing, Annapolis City Fire Boat, etc.
 3. County/Municipality: Example: City of Annapolis, Baltimore County, Perryville, etc.
 4. Legislative District: Include legislative district where project is located.
 5. Project Location: Include street address and waterway where project is located.
 6. Project Description: Check the type of project in the correct space. Also provide a detailed description of the project (Example: Construct 2 lane boat ramp with 30 car trailer parking, entrance road, 100 feet to timber bulkhead, utilities). Also attach any available site plans, drawings, and photographs of proposed project.
 7. Type of Funding Requested: Check one of the types of funding on the application that you are requesting for the project.
 8. Total Estimated Project Cost: Total estimated project cost (both local and state cost share) to complete the entire proposed project.
 9. Amount of Waterway Funds Requested: Total funding request *for this specific grant only* (do not include the total cost of the project unless this grant will cover the total cost).
 10. Local Project Coordinator: Include the name, title, mailing address, fax, and e-mail address for the individual who will be managing the project on a daily basis.
 11. Project Period: Waterway Improvement Fund grants will only remain active for 3 years from the award date unless otherwise approved by the Program. Include the dates when the project will be completed (maximum 3 years). Funds will become available on July 1st of each fiscal year. Also include any existing or proposed multi-year project costs including the grand total cost for the project (all years).
 12. Detailed Project Status/Justification: Complete all questions A-I.
 13. Terms and Conditions: Please review all of the Terms and Conditions of the Grant.
 14. Terms and Conditions: If you agree with the Terms and Conditions of the Grant, include the name of the County/Municipality and sign the Application (also print name/title and date).

Please contact the Waterway Improvement Program if you have any further questions regarding the grant application process:

Mr. Robert Gaudette, Director
Waterway Improvement Program
Tawes State Office Building, E-4,
580 Taylor Avenue,
Annapolis, MD 21401.
Phone: 410-260-8462 Toll Free: 1-877-620-8DNR (8367)
Fax: 410-260-8404 e-mail: bgaudette@dnr.state.md.us

Grants Management Checklist: The local governing body is required to follow the steps outlined in the Grants Management Checklist, in managing their grants. Attention to the steps set forth in will assure compliance with statutory requirements and; thereby, the eligibility of expenditures for reimbursement. A "Grants Management Checklist" Form is provided by the Program to assist the applicant in tracking these administrative requirements is included in the back of this chapter as a guide.

10. Service Contract Grants

The State will provide funding to local governments up to a maximum of \$25,000 annually (dependent upon availability of funds) for garbage collection and portable toilet rentals at public boating facilities through grants from the Waterway Improvement Fund. Local governments may prepare contracts for such services within their jurisdictions and be reimbursed for the cost through Waterway Improvement Fund grants annually for a contract period of nine months (March 1st through November 30th) of any year.

Local governments must submit their grant applications to the Waterway Improvement Program by March 1st of each year for the current boating season. Contracting and grant processing for these projects are the same as for any other Waterway Improvement grant.